

## Acquisition, Financing, Expenses, and Profit Analysis

<b>Property Address:</b>		5648 S Winchester, Chicago, IL		
<b>Total Square Footage:</b>	2,412	<b># of Units:</b>	2	<b>Occupied?</b>
<b>Evaluator Name:</b>	Tom	<b>Override Auto-fill for Fixed Date:</b>	2/1/2014	<b>N</b>
<b>Property Type:</b>	MDU <5			
<b>Property Description:</b>	Brick 2 flat - 2/1 and 3/1 - fully refurbished located across street from elementary school			
<b>Property Values &amp; Pricing</b>		<b>Holding Costs (Monthly)</b>		<b>Annually</b>
				<b>Monthly</b>
After Repair Value	<b>\$150,000</b>	Property Taxes	<b>\$2,000</b>	<b>\$167</b>
Current "As Is" Value	\$100,000	HOA & Condo Fees	\$0	\$0
Estimated Repair Costs	<b>\$75,000</b>	Insurance Costs	\$1,173	<b>\$98</b>
<b>Purchase Price</b>	<b>\$28,856</b>	Utility Costs (Expandable)	\$2,700	<b>\$225</b>
<b>NOTE! - Blue colored text</b> has greatest influence on the calculations - consider as mandatory input specific to each property. The other text is optional or can be considered typical. Only light gray cells allow data entry. The other cells are protected.		Gas	\$900	\$75
		Water	\$1,200	\$100
		Electricity	\$600	\$50
		Other	\$0	\$0
		Miscellaneous Holding Costs	\$0	\$0
Estimated Hold Time (months)	6	<b>Total Monthly Holding Costs:</b>		<b>\$489</b>
<b>Purchase &amp; Repair Costs:</b>	<b>\$103,856</b>			
<b>Financing Costs</b>	<b>ARV</b>	<b>Buying Transaction Costs</b>	<b>Perc. of Purch</b>	<b>Total</b>
First Mortgage / Lien Amount	0%	\$0	Escrow / Attorney Fees	\$900
First Mortgage Points	4.7	\$0	Title Insurance / Search Costs	0.25%
First Mortgage Interest	10.00%	\$0	Miscellaneous Buying Costs	\$0
First Mortgage Monthly Interest Only Payment		\$0	<b>Total Buying Transaction Costs:</b>	
				<b>\$1,472</b>
Second Mortgage / Lien Amount	0%	\$0	<b>Selling Transaction Costs</b>	<b>Perc. of ARV</b>
Second Mortgage Points	2.0	\$0	Escrow / Attorney Fees	\$900
Second Mortgage Interest	0.00%	\$0	Selling Recording Fees	\$500
Second Mortgage Monthly Interest Only Payment		\$0	Realtor Fees	3.00%
			Transfer & Conveyance Fees	0.12%
Misc. Mortgage / Lien Amount	0%	\$0	Home Warranty	\$500
Misc. Mortgage Points	2.0	\$0	Staging Costs	\$0
Misc. Mortgage Interest	0.00%	\$0	Marketing Costs	\$500
Misc. Mortgage Monthly Interest Only Payment		\$0	Miscellaneous Selling Costs	\$0
Miscellaneous Financing Costs (origination fee etc)			<b>Total Selling Transaction Costs:</b>	
				<b>\$7,080</b>
<b>Total Financing Costs:</b>	<b>\$0</b>			
<b>Estimated Net Profit and ROI Snapshot</b>				
<b>Estimated NET PROFIT</b>		<b>\$34,655</b>	<b>Total Costs Return on Investment (ROI)</b>	
			<b>30.04%</b>	

Property Address:	5648 S Winchester, Chicago, IL				
Date	26-Jun-14				
<b>INPUTS</b>					
Leverage:	70%	Marginal Tax Bracket:	28%		
Appreciation:	5%	Capital Gains Rate:	28%		
Interest Rate:	10.00%	Value of the Land:	35%		
# of Units	2	Total Square Footage	2412	2412	
Market Cap Rate	10%	Cash on Cash Return 1st Year	5%		
<b>COMPARITVE ANALYSIS</b>					
Price Per Square Foot	62	2 flat apartment building located in the West Englewood neighborhood of Chicago. The			
Price Per Unit	75,000	subject property consists of one three-bed / one-bath and one two-bed / one-bath and			
Gross Rent Multiplier	6.25	was totally rehab with new kitchen and baths and refinished hardwood floors - there			
Net Income Multiplier	10.00	is 2 private uncover parking spaces			
Cap Rate	9.33%				
Present Market Value	139,900				
<b>PURCHASE ANALYSIS</b>					
Purchase Price	\$150,000	**Only Yellow numbers should be replaced in top section of the Analyzer. Yellow block should be filled in below as well.			
Closing Costs	3% \$4,500.00	**Closing Costs are assumed to be between 1-1.5%. These prorations will vary per market and purchase price. You must enter this figure in manually.			
Total Cost	\$154,500				
First Mortgage	0.7	105000			
Second Mortgage					
Down Payment		\$49,500			
<b>FINANCING ANALYSIS</b>					
Interest Rate (r )	0.83%	Payments Left	Year	Closing Loan Balance	Amortization
Term in Months (n)	300	288	1	\$104,005.61	994.39
Amount Borrowed (PV)	\$ 105,000	276	2	\$102,907.10	\$1,098.51
Balloon Payment (FV)	\$ -	264	3	\$101,693.56	\$1,213.54
Monthly Payment (D)	(\$954.14)	252	4	\$100,352.95	\$1,340.61
		240	5	\$98,871.96	\$1,480.99
			Total Pay Down		6,128.04
<b>FIRST YEAR OPERATING PROJECTION</b>					
Income/Expense	Based on			Monthly	Annual
<b>Gross Scheduled Income/Net Rents</b>				2000.00	24000
Vacancies	5.0%			\$100.00	1200
Legal				\$16.7	200
Advertising				\$10.0	120
Cleaning				\$20.8	250
Miscellaneous				\$10.0	120
Insurance				\$166.7	2000
Property Management % of Gross Rents		8.0%		\$160.0	1920
Property Taxes				166.7	2000
Water, Sewer, Electricity, Garbage				\$100.0	1200
Repairs and Maintenance				\$83.3	1000
<b>TOTAL OPERATING EXPENSE</b>				734	8,810
<b>GROSS OPERATING INCOME</b>				1,900	22,800
<b>NET OPERATING INCOME</b>				1,166	13,990
Mortgage				(\$954.14)	(\$11,449.63)
<b>Cash Flow</b>				\$211.70	\$2,540.37
Operating Expense Ratio					38.64%
Depreciation (affects TI not CF)		97500	Basis	27	300.93
Pay down on mortgage					994.39
<b>Taxable Income</b>					(\$76.35)
Cash Flow					\$2,540.37
Tax Savings					\$21.38
<b>After Tax Cash Flow</b>					\$2,561.75
Return on Equity					5.57%